STEUBEN COUNTY AGRICULTURE, INDUSTRY & PLANNING COMMITTEE
Wednesday, October 6, 2021
10:15 a.m.
Legislative Chambers, 3rd Floor, Annex Building
Bath, New York

**MINUTES**

COMMITTEE: Robin K. Lattimer, Chair  Hilda T. Lando, Vice Chair  Carol A. Ferratella
K. Michael Hanna  Paul E. Van Caeseele

STAFF: Jack K. Wheeler  Christopher Brewer  Jennifer Prossick
Matt Sousa  Jennifer Galvan  Tammy Hurd-Harvey

LEGISLATORS: Scott J. Van Etten  Kelly H. Fitzpatrick  Steven P. Maio
John V. Malter  Frederick G. Potter  Gary B. Roush
Gary D. Swackhamer

OTHERS: James Johnson, Executive Director, Steuben County Industrial Development Agency

I. **CALL TO ORDER**

Ms. Lattimer called the meeting to order at 10:15 a.m.

II. **APPROVAL OF MINUTES**

MOTION: APPROVING THE MINUTES OF THE SEPTEMBER 1, 2021, AND SEPTEMBER 27, 2021, MEETINGS MADE BY MRS. LANDO. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

III. **OUTSIDE AGENCIES**

A. Steuben County Industrial Development Agency
   1. Activity Update
      a. Turning Lane – Route 54 – Mr. Johnson stated they held a project team meeting on Friday and the final design work will be completed in the next couple of weeks. We anticipate bidding by spring.

      b. Renewable Energy – We have closed our first wind project; Baron Winds. They are doing clearing work now and turbine construction will begin in the spring when the weather breaks. This will be a $297 million project for Phase I which will be in the towns of Dansville, Wayland and Cohocton. Phase II will be located in Fremont. The total project will generate 121.6 megawatts of power which will serve 650 homes. The real benefit to the community is the PILOT revenue. Over the course of 20 years that will bring $15.6 million to the taxing entities which are the community, the school district and the County. Of that, the County will receive $3.9 million over that period of time.

Mr. Johnson stated we have been working very closely with Eight Point Wind and will be closing that project by the end of the year. This project is located in Greenwood and West Union. This area was hit hard by the recent flooding and they will be able to use the revenue from this project for those costs. This is a smaller sized project that will generate 113 megawatts of energy and will bring in $14.5 million in revenue to the taxing entities over the period of the PILOT. Of that, $2.9 million will come to the county.

He stated total, it will be just over $7 million of PILOT revenue for the County and over $30 million to the taxing entities in total. Mr. Johnson stated Eight Point Wind is also constructing a transmission line; fourteen miles to the Hornell substation. We actually pulled the transmission line from the PILOT and there will be a separate
schedule just for the transmission line. On that schedule the entities listed will be Greenwood, Hartsville and Hornell. That will generate $11.8 million for all taxing entities with $2.5 million coming to the County. This is a substantial revenue base.

Mr. Johnson stated Canisteo Wind has a significant project which is the size of the Baron Winds and Eight Point Wind projects put together. This project is primarily located in Prattsburgh and will cover Avoca and other areas. All told, these wind projects, in addition to the solar projects, are bringing a $2 billion investment into the County.

Mr. Johnson stated the challenge with renewable energy is infrastructure. The wind projects are large enough to invest in infrastructure needs. On the solar side, they cannot withstand that kind of investment these types of projects have to pay for construction costs and to upgrade infrastructure. There are many solar projects that are coming to a screeching halt because of that. We need to take a hard look before we allow projects going forward, to look at what we can do to get the infrastructure upgraded. There will be more to come on that.

c. **Golden Age Cheese** – Mr. Johnson informed the committee that Golden Age Cheese had 54 inches of water flowing through their facility. They were devastated. They are at less than one-third of their capacity right now. We had secured a grant in 2017 and for a number of reasons the project did not move forward. He stated they are working with the State to reallocate those funds to them so they can get up and operating.

d. **Hammondsport Sewer Project** – The project will be bid in the spring with construction next year. This is a huge project for the downtown area.

e. **Urbana Pier Project** – Mr. Johnson stated the Town of Urbana received $400,000 in 2015 to redo the pier and make improvements to Champlin Beach. They have awarded the bid for the pier and construction will start in December.

f. **Corelle Brand** – Four years ago we took money from a CDBG award and gave it to Corelle Brand to help with their Factory of the Future project. They have not hit the job benchmarks and they do not expect to. There are in the 480 range now and that is where they expect to be for the near future. We have negotiated a settlement with them to recapture a portion of the original grant and they have agreed. We will take and reallocate those funds into a manufacturing video to be used as part of manufacturing day in the schools targeting 8th graders. Right now we are putting together an RFP to go out and work with a video production company to put together a professional video to demonstrate the impacts and the opportunities in manufacturing.

g. **Wilkins RV** – Mr. Johnson informed the committee that Wilkins RV is in the process of doing a $3.5 million expansion. They will be expanding their service center and adding eight bays plus a paint booth. He noted that 50 percent of their sales are coming from outside our economic development region and outside of the State. This is a nice project for the community and for our region.

h. **Empire State Development Funds** – Mr. Johnson stated the next round for Empire State Development Consolidated Funding was opened on October 2nd. This is a new process whereby funding will be allocated on a rolling cycle and every 60 days there will be a new application open. We are trying to promote that and regain interest. I will say that without having leadership at Empire State Development, this will be the third round of funding and no projects have been awarded yet. So this process to get money out the door is not happening like they anticipated, but we hope as Governor Hochul makes her appointments that there will be new leadership at Empire State Development and that should help.

i. **Dana Lyons** – Mr. Johnson stated Dana Lyons expects to make final application for funding for the next round which will be open sometime between now and January, according to an announcement that was received last week. They are working diligently to put together the final application for funding for that project and expect to submit their application no later than January. That will begin what is estimated to be an $18 million renovation of that project.
Mr. Hanna asked what is the cost for the pier project in Urbana? Mr. Johnson replied the last number I saw was just over $1 million. The town is trying to figure out how to allocate funds and whether to borrow or if they want to reallocate ARPA funds. Mrs. Lando stated this plan was developed several years ago. Is the same design being used? Mr. Johnson replied yes.

Mr. Malter asked with regard to wind generation projects, do you have any data available as to how much electric comes into the county and how much we are generating? Mr. Johnson replied I have not seen data on total generation or use in the county. The power from the projects goes into the grid. These projects add capacity into the system itself. He stated he can do some research on that. It will be significant because of our manufacturing business. Mr. Malter asked how close are we getting to going green? Mr. Johnson replied World Kitchen uses more power itself then the entire City of Corning. Mr. Malter asked how are we going to meet the goals that the State has set? Mr. Johnson replied that is a good question.

Mr. Nichols commented most utilities around here don’t have much interest in purchasing wind energy as they can buy hydropower for $0.02. The cost for wind and solar energy is $0.05 to $0.07 and who wants to buy it? Mr. Johnson stated it provides a benefit to the communities and the revenue that we generate through the PILOTS. That level of investment would not happen through natural growth.

Mr. Malter stated my problem is with the subsidies that the companies are receiving from the State and Federal governments. Then we subsidize them and nobody talks about it. Mr. Johnson stated we did an analysis on the last three projects and over the course of a 20 year period, from the property tax standpoint and the PILOT there was less than a $1 million difference. There is not a huge incentive through the PILOT. With the PILOT, companies are receiving assurances that the payments will be structured.

Mr. Van Etten stated in townships that are rural, this is the only kind of investment that would occur. The only other way they would have seen their tax base grow would have been with fracking. Mr. Johnson stated the other thing we didn’t talk about on the employment side is that wind projects usually only generate long-term employment of about six to twelve on each project. The construction jobs are substantial as it will take about 300 construction jobs over a two-year period. Now where we will find the individuals to do those jobs is still questionable. They will need 300 people to work on each of these projects over the course of the next two to three years.

Ms. Lattimer stated I think the ultimate question goes back to the grid and the will of the State. They have set up some very ambitious renewable energy goals between now and 2027 and I don’t hear anything from the State about the commitment of being able to upgrade and expand the grid capacity. Mr. Johnson stated they did a power grid study. The Hornell substation is classified as a Tier I project which means that an investment needs to be made to accommodate for the additional renewable energy growth in the State. He stated he had a conference call with NYSEG about this and he asked them how they plan to prioritize the project and also asked what we could do to support them. The expectation is that by 2027 there will be upgrades to that substation. This will be a missed opportunity if they cannot expedite that investment.

Mr. Malter asked do you have an update on Gunlocke? Mr. Johnson replied there is a new plant manager. Since about a month ago they have seen an uptick and strong sales. I have a meeting this morning and I hope to hear similar news today.

IV. DEPARTMENTAL REQUESTS
A. Planning
   1. Public Hearing – Mr. Sousa requested authorization to hold a public hearing relative to the CDBG Well and Septic Grant. This is the final public hearing required for the grant close out.

**MOTION:** AUTHORIZING A PUBLIC HEARING RELATIVE TO THE CDBG WELL AND SEPTIC GRANT MADE BY MRS. LANDO. SECONDED BY MR. VAN CAESELE. ALL BEING IN FAVOR. MOTION CARRIES 5-0.
2. **Sub-Recipient Agreement** – Mr. Sousa requested authorization to enter into a sub-recipient agreement with Arbor Development for administrative services for the second round of the CDBG Well and Septic Grant for 2020.

**MOTION:** AUTHORIZING THE PLANNING DIRECTOR TO ENTER INTO A SUB-RECIPIENT AGREEMENT WITH ARBOR DEVELOPMENT FOR ADMINISTRATIVE SERVICES RELATIVE TO THE SECOND ROUND OF THE CDBG WELL AND SEPTIC GRANT FOR 2020 MADE BY MRS. FERRATELLA. SECONDED BY MR. HANNA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

3. **NYS Environmental Quality Review Act** – Mr. Sousa requested authorization to declare the CDBG Woodlands Community, Inc. Project a Type II Action for the purpose of the NYS Environmental Quality Review Act.

**MOTION:** DECLARING THE CDBG WOODLANDS COMMUNITY, INC. PROJECT A TYPE II ACTION FOR THE PURPOSE OF THE NYS ENVIRONMENTAL QUALITY REVIEW ACT MADE BY MRS. LANDO. SECONDED BY MR. VAN CAESEELE. ALL BEING IN FAVOR. MOTION CARRIES 5-0. Resolution Required.

B. County Manager

1. **Cornell Cooperative Extension – ARPA Funding Request** – Mr. Wheeler stated Cornell Cooperative Extension has requested $6,700 for the purchase of a large-format printer.

**MOTION:** RECOMMENDING THE APPROPRIATION OF $6,700 IN UNRESTRICTED ARPA FUNDS TO CORNELL COOPERATIVE EXTENSION FOR THE PURCHASE OF A LARGE-FORMAT PRINTER MADE BY MRS. FERRATELLA. SECONDED BY MR. VAN CAESEELE. ALL BEING IN FAVOR. MOTION CARRIES 5-0. Resolution Required.

2. **Soil & Water – ARPA Funding Request** – Mr. Wheeler stated Soil & Water has requested $320,000 to enable them to finish 18 projects between now and 2023. This is due to the federal grant cycle being pushed down due to the COVID shutdown and federal spending.

**MOTION:** RECOMMENDING THE APPROPRIATION OF $320,000 IN UNRESTRICTED ARPA FUNDS TO THE SOIL & WATER CONSERVATION DISTRICT TO BE USED TO FINISH 18 PROJECTS BETWEEN NOW AND 2023 MADE BY MRS. FERRATELLA. SECONDED BY MR. HANNA FOR DISCUSSION.

Mr. Van Etten asked with our application to FEMA regarding the flooding in Woodhull, will any of that money be available to Soil & Water? Mr. Wheeler replied that is undetermined yet. There should be some, but we have zero idea how much. Mr. Van Etten stated I support ARPA funding for Soil & Water. They do an amazing job with the money they get and when they get a grant they more than match it. Ms. Lattimer stated their money is put to good use.

Mrs. Lando asked these projects are not for repairing damage from the flood? Mr. Wheeler replied they had 18 projects already on the books, but then did not receive the funding.

Mr. Malter stated a lot of the property damage was not in the flood plan and homeowners could not get flood insurance. Will that change now? Mr. Wheeler replied that is undetermined. We have an active project for mapping and we are working with New York State for that information to be sent to FEMA to discuss those things.

**VOTE ON PREVIOUS MOTION:** ALL BEING IN FAVOR. MOTION CARRIES 5-0. Resolution Required.
3. **Steuben County Agricultural Society** – Mr. Wheeler stated one of the other ARPA funding requests was to fund the balance of the Steuben Agricultural Society projects. They reported back to us that they have $143,000 available in their fund balance.

4. **VRBO** – Mr. Wheeler stated he received word back from VRBO and their response is that they are not able to undertake any other collection agreements at this time. My response back was to advise that we would be having discussions about mandatory collections and that we would keep them posted. They did not respond to that.

Mr. Van Etten stated they already have counties they are doing this for but now they are too busy. I think we should head down the path of having a local law. Mr. Wheeler commented VRBO also owns Home Away. Mrs. Lando stated we should definitely do that. Mr. Wheeler stated the Finance Committee would have to do that. Ms. Prossick stated this has been proposed before and we can get it on the agenda for discussion.

Ms. Fitzpatrick stated it should absolutely go on the Finance agenda. If they tell us they cannot take on any more regulatory contracts and we just let it drop, then they win and we can’t have that. Mr. Wheeler stated the only thing is it would very likely still fall on the homeowners to collect, not VRBO. Mrs. Lando stated VRBO adds it onto their price, so why don’t they pay it? Mr. Wheeler stated the default would be that the homeowner would have to submit that. Ms. Prossick stated we can put it on the Finance agenda for discussion. We can look at the Yates County local law and go from there. Mr. Wheeler commented Airbnb volunteered to take that on for the homeowners. The definition of the accommodation instead of VRBO would be that individual household. I don’t know if we have the statutory authority to say any third party agency that markets must collect room tax; that is something we will have to talk about.

Mr. Van Etten stated would this be like the room tax that we have with lodging? Mr. Wheeler replied yes that is exactly what it would be. Mr. Van Etten stated with the hotels it is not voluntary, but it is required? Mr. Wheeler replied correct, but the hotel owns the property. VRBO just markets the property for the homeowners.

Mr. Hanna commented the rentals on the lake just keep going up and up. Mr. Wheeler stated there will be a lot of intricacies involved. Yates did a good job with their local law. Our main concern was enforcement and how do you collect from the individual homeowners. In an ideal world VRBO would say yes, but it looks like that will not happen. Mrs. Ferratella asked do we know what the revenue is from Airbnb? Mr. Wheeler replied no, but we will get that from the Finance Office. The last time we looked and it was not for a full year, there was $40,000 collected in room tax.

**MOTION: TO ADJOURN MADE BY MRS. LANDO. SECONDED BY MR. VAN CAESEELE. ALL BEING IN FAVOR. MOTION CARRIES 5-0.**

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

**NEXT MEETING SCHEDULED FOR**
Wednesday, November 3, 2021
9:30 a.m.

Please send agenda items to the Clerk of the Legislature’s Office
NO LATER THAN NOON
Wednesday, October 27, 2021